

Exhibit 10

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

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STEPHEN M. WILSON, et al.,

Plaintiffs,

against 07 Civ. 6176(LTS)

IMAGESAT INTERNATIONAL N.V.,

et al.,

Defendants.

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HAIM YIFRAH

New York, New York

Wednesday, February 27, 2008

Reported by: Steven Neil Cohen, RPR

<p style="text-align: right;">Page 42</p> <p>1 Yifrah</p> <p>2 going to buy.</p> <p>3 You have to remember that the</p> <p>4 company started when there was no satellite.</p> <p>5 You had nothing to show.</p> <p>6 I was the only one that managed to</p> <p>7 convince the Ministry of Defense to give me</p> <p>8 an image of Ofeq's military satellite, give</p> <p>9 it to me with the promise that I will use it</p> <p>10 discretely to whoever was a potential</p> <p>11 customer and bring it back, and I did.</p> <p>12 Q. Okay. Excuse me one second.</p> <p>13 I want to talk to you a little bit</p> <p>14 about the time that you were working for the</p> <p>15 Israeli defense forces and your last job, I</p> <p>16 believe, you said you were responsible for</p> <p>17 work related -- let me finish the</p> <p>18 question -- to the Ofeq military satellite;</p> <p>19 is that correct?</p> <p>20 A. No. My last job was chief</p> <p>21 intelligence officer responsible for all</p> <p>22 systems of the military intelligence</p> <p>23 including the operation of Ofeq military</p> <p>24 satellite.</p> <p>25 Q. Fair enough.</p>	<p style="text-align: right;">Page 44</p> <p>1 Yifrah</p> <p>2 would be classified information?</p> <p>3 MR. MATETSKY: Objection to the</p> <p>4 form of the question.</p> <p>5 It is being argumentative.</p> <p>6 THE WITNESS: You know, in the</p> <p>7 spy -- intelligence business some of the</p> <p>8 events are not what they appear to be.</p> <p>9 Sometimes a person would declare</p> <p>10 openly that he is selling images to</p> <p>11 somebody just to put pressure on another</p> <p>12 one.</p> <p>13 I don't know if it was classified</p> <p>14 or not. I was not part of it.</p> <p>15 BY MS. KOLATCH:</p> <p>16 Q. Would you be surprised to learn</p> <p>17 that it was classified?</p> <p>18 A. Yes. I think I guess it would be</p> <p>19 classified but I believe that in some cases</p> <p>20 it was in the benefit of whoever, of one</p> <p>21 person or another, to declare it openly.</p> <p>22 Q. If it was -- if the Israeli</p> <p>23 government or military thought it was in</p> <p>24 their benefit to disclose it they might;</p> <p>25 correct?</p>
<p style="text-align: right;">Page 43</p> <p>1 Yifrah</p> <p>2 In that role did you have access</p> <p>3 to information, I am not asking you what the</p> <p>4 information is, I am just asking if you had</p> <p>5 access to information regarding whether or</p> <p>6 not either the Israeli army or the Israeli</p> <p>7 government was selling or providing</p> <p>8 satellite photos to other countries.</p> <p>9 A. No.</p> <p>10 Q. You didn't have access to that</p> <p>11 information?</p> <p>12 A. It was not part of my work.</p> <p>13 Q. Okay.</p> <p>14 And so that do you know who would</p> <p>15 have access to that information?</p> <p>16 A. Chief of the Mossad.</p> <p>17 Q. Is that the sort of information</p> <p>18 that would be classified by Israel?</p> <p>19 A. I have no idea.</p> <p>20 Q. Really?</p> <p>21 You were in the Israeli army for</p> <p>22 35 years, you were chief of intelligence.</p> <p>23 Is it your testimony that you</p> <p>24 don't know whether or not whether Israel was</p> <p>25 selling satellite photos to other countries</p>	<p style="text-align: right;">Page 45</p> <p>1 Yifrah</p> <p>2 A. Yes.</p> <p>3 Q. If they thought it was a threat to</p> <p>4 national security to disclose it or it</p> <p>5 wasn't in the best interests of the company</p> <p>6 it would be kept classified; is that</p> <p>7 correct?</p> <p>8 A. Yes.</p> <p>9 Q. If something is kept classified is</p> <p>10 it then against the law to disclose that</p> <p>11 classified information?</p> <p>12 A. I believe it is.</p> <p>13 Q. Would it also be correct that if</p> <p>14 someone violates that law and discloses</p> <p>15 classified information they could</p> <p>16 potentially go to jail?</p> <p>17 MR. MATETSKY: Objection.</p> <p>18 THE WITNESS: I believe it is.</p> <p>19 BY MS. KOLATCH:</p> <p>20 Q. When you retired from the IDF you</p> <p>21 went directly to ImageSat?</p> <p>22 A. No. I was looking desperately for</p> <p>23 a job.</p> <p>24 Q. Okay.</p> <p>25 A. I was on vacation for seven months</p>

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A. No.

Q. When you said he gave you the approval to negotiate, what does that mean?

A. To start to meet with people that can -- we did not meet face-to-face with the clients. A-go between.

I know that IAI made business with Morocco. The person that assisted IAI to do business in Morocco came to us, to ImageSat, and said, I can assist you, do business in Morocco.

Q. Did you need the approval of the IMOD before you could even negotiate to sell Israeli technology, even negotiate to sell Israeli technology to Morocco?

A. For sure.

Q. When you get the approval to negotiate, that is not the actual approval to then sell the technology, is it?

A. Sure.

Q. Would it also be true that you would need the approval to negotiate to sell the Israeli technology regardless of where ImageSat was physically located as a

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company?

A. Yes.

Q. If ImageSat was headquartered in Cypress, if you were selling Israeli technology you would still need the approval of the IMOD even to negotiate to sell that technology to another country; is that correct?

A. No.

Q. So if the country was -- if the company was located elsewhere but was selling Israeli technology it is your testimony you wouldn't need the approval of the IMOD?

A. The question is, could I speak to a go-between and give him some idea about the program and get some response?

Q. That wasn't my question actually.

My question was --

A. Negotiate, yes, you are right.

Q. So regardless of where ImageSat was located, if you wanted to sell Israeli technology you needed the approval of the IMOD to even negotiate to sell that

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technology?

A. Yes.

Q. Isn't it --

A. Can I please make one remark?

ImageSat was not selling Israeli technology. Israeli was selling satellite products.

Q. Isn't it true that in order to sell the satellite products, you needed -- satellite products from the Israeli technology, you needed the approval of the IMOD even to negotiate to sell those products?

MR. MATETSKY: Objection to the form.

THE WITNESS: No doubt.

BY MS. KOLATCH:

Q. Isn't it also true, sir, that you -- the law requires you to have a written license to negotiate before you can even begin that process?

A. No.

Q. It is your testimony that a verbal approval is sufficient?

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A. Yes.

Q. Did you have any written licenses to negotiate with any country for the sale of any satellite products from the Israeli technology?

MR. MATETSKY: I don't see how we are even close to --

MS. KOLATCH: I will connect it up.

Go ahead.

THE WITNESS: Everything was done after consulting with the Ministry of Defense, the person in authority, and when he said, go ahead, but do not sign anything, we went ahead and we did not sign anything.

In fact, we did not sign anything so far.

BY MS. KOLATCH:

Q. That wasn't my question.

A. "We" means ImageSat.

Q. That wasn't my question.

My question was: Did you have any written licenses to negotiate with any

<p style="text-align: right;">Page 70</p> <p>1 Yifrah</p> <p>2 A. I will make a general remark.</p> <p>3 Q. Sir, I am going ask you, sir, I am</p> <p>4 going to ask you to answer my question. I</p> <p>5 am asking just about Sibat.</p> <p>6 MR. MATETSKY: He is going to</p> <p>7 respond to the question.</p> <p>8 THE WITNESS: I know all of the</p> <p>9 Ministry of Defense department. I know</p> <p>10 their heads.</p> <p>11 BY MS. KOLATCH:</p> <p>12 Q. Okay.</p> <p>13 A. Whatever contact I had with them</p> <p>14 was outside of the rules of the games which</p> <p>15 required IAI to do the job, not ImageSat and</p> <p>16 not me.</p> <p>17 Q. That wasn't my question.</p> <p>18 My question was: Are you familiar</p> <p>19 with an agency called Sibat?</p> <p>20 A. For sure.</p> <p>21 Q. Can you tell me what that agency</p> <p>22 is?</p> <p>23 A. I believe they are promoting arms</p> <p>24 and sales of the Ministry of Defense outside</p> <p>25 of Israel.</p>	<p style="text-align: right;">Page 72</p> <p>1 Yifrah</p> <p>2 A. India.</p> <p>3 Q. Do you have that letter?</p> <p>4 A. Yes. Not here.</p> <p>5 Q. Where is it?</p> <p>6 A. At home.</p> <p>7 Q. You personally kept that letter?</p> <p>8 A. Because it was given to me by</p> <p>9 Yossi Ben-Hanan and it was important for me</p> <p>10 to --</p> <p>11 Q. Go ahead.</p> <p>12 A. It was important for me to show</p> <p>13 that I have capabilities that are beyond</p> <p>14 regular people who claim to have contact</p> <p>15 with the Ministry of Defense, and I kept it</p> <p>16 in case I need to use it for --</p> <p>17 Q. Why did you need to go to the IMOD</p> <p>18 in connection with India?</p> <p>19 MR. MATETSKY: Objection to form.</p> <p>20 THE WITNESS: Some of the</p> <p>21 customers requested to have some</p> <p>22 guarantee not only from ImageSat that</p> <p>23 the service will not be discontinued.</p> <p>24 They needed some assurance from</p> <p>25 the Government of Israel that there will</p>
<p style="text-align: right;">Page 71</p> <p>1 Yifrah</p> <p>2 Q. Did you have any contact with</p> <p>3 Sibat as part of your work at ImageSat?</p> <p>4 A. As an additional part of my work.</p> <p>5 It was not my work.</p> <p>6 Q. While you were at ImageSat did you</p> <p>7 have contact with Sibat?</p> <p>8 A. I could have asked IAI to go and</p> <p>9 get a paper or another.</p> <p>10 I knew I will wait for seven years</p> <p>11 to get it or I will never get it.</p> <p>12 So I did it myself. I went to the</p> <p>13 head of Sibat, General Yossi Ben-Hanan, who</p> <p>14 is a friend. I asked him to formulate a</p> <p>15 letter requested by the India customer and</p> <p>16 they gave me the letter.</p> <p>17 Q. What did the letter say?</p> <p>18 A. That Government of Israel,</p> <p>19 Ministry of Defense, supports the effort of</p> <p>20 ImageSat to promote the EROS satellite and</p> <p>21 will do everything in its capability to</p> <p>22 ensure continuation of service.</p> <p>23 Q. Service to what?</p> <p>24 A. To that client.</p> <p>25 Q. That client?</p>	<p style="text-align: right;">Page 73</p> <p>1 Yifrah</p> <p>2 not be a reversal of policy and they</p> <p>3 will be left with nothing.</p> <p>4 Q. Were any countries other than</p> <p>5 India, did any countries other than India</p> <p>6 request that?</p> <p>7 A. I believe that Venezuela requested</p> <p>8 similar one.</p> <p>9 Q. Did you get a letter from</p> <p>10 Venezuela?</p> <p>11 A. I was not asked to go there.</p> <p>12 Shimon Eckhaus took care of that.</p> <p>13 Q. Did you ever see a letter with</p> <p>14 regard to Venezuela?</p> <p>15 A. I believe I could do more than</p> <p>16 Shimon Eckhaus in every field including that</p> <p>17 field.</p> <p>18 Q. Did you ever see a letter with</p> <p>19 regard to Venezuela?</p> <p>20 A. I don't think so. I don't think</p> <p>21 he requested it and I am sure he would never</p> <p>22 get it.</p> <p>23 Q. Sir, I am going to ask you to take</p> <p>24 a look at paragraph -- you have copy of the</p> <p>25 complaint in front of you.</p>

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1 Yifrah
 2 First, let me ask you, did you get
 3 a similar letter with regard to countries
 4 other than India?
 5 A. I believe that we were negotiating
 6 with Angola, they mentioned their wish to
 7 have a similar letter and I told them I
 8 believe I can get it.
 9 Q. Did you get it?
 10 A. I did not ask for it.
 11 Q. What about with any other country?
 12 A. Taiwan requested similar letter
 13 and I believe they got an oral similar
 14 declaration.
 15 Q. So let's go back to this sentence.
 16 Is this accurate, "Upon Yifrah's
 17 further request the IMOD agreed to provide
 18 similar written assurances to other
 19 prospective SOP customers and did so on a
 20 number of occasions."
 21 Did, in fact, based on your
 22 request, they gave -- the IMOD gave similar
 23 written assurance to other SOP customers?
 24 A. They agreed in principle to
 25 provide them whenever it was requested and I

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1 Yifrah
 2 believe they did.
 3 They were not requested to do so.
 4 Q. Okay.
 5 Then this statement -- all right.
 6 Can you tell me who gave the oral
 7 assurance with regard to Taiwan?
 8 A. I don't remember.
 9 Q. Did they give it through you?
 10 Were you the person --
 11 A. Yes. Patrick Rosenbaum -- I went
 12 along with him to many of the SOP marketing
 13 activities -- had the habit to declare to
 14 the client that General Yifrah is personally
 15 responsible for the implementation of your
 16 program and I can vouch for him that he will
 17 get whatever.
 18 He would say that and I had to
 19 fulfill the request whenever it was put.
 20 Many times I would say, I am
 21 responsible that program will be implemented
 22 as in the contract.
 23 That would be enough.
 24 Q. At the end of the day you were
 25 still subject to whatever the limitations

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1 Yifrah
 2 and the regulations imposed by the IMOD?
 3 A. For sure.
 4 Q. Let me continue.
 5 "The fundamentals of the policy
 6 regime under which the company was to be
 7 operated took more than four years to put in
 8 place eventually requiring the negotiation
 9 of a formal bilateral policy agreement
 10 between Israel and the United States."
 11 First, let me ask you, were you at
 12 ImageSat during this four-year negotiation
 13 regarding the fundamentals of the policy
 14 regime of ImageSat?
 15 A. No.
 16 Q. And are you familiar with this
 17 formal bilateral policy agreement between
 18 Israel and the United States?
 19 A. I was part of it but I am not
 20 familiar with it.
 21 Q. When you say "you were part of
 22 it," what do you mean?
 23 A. That means at the time the IMOD
 24 was negotiating with the American government
 25 about a space policy, they took me along as

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1 Yifrah
 2 the military representative and I sat there
 3 and listened.
 4 I had nothing to say and I do not
 5 know what was the conclusion of the protocol
 6 required that there will be a military
 7 intelligence officer present and I was the
 8 one.
 9 Q. Did you ever see the formal
 10 bilateral policy agreement between Israel
 11 and the United States?
 12 A. No.
 13 Q. Can you tell us what the formal --
 14 what the formal bilateral policy agreement
 15 says?
 16 A. I don't know.
 17 Q. Do you know how we can obtain a
 18 copy of this bilateral policy agreement?
 19 A. I believe in the internet you can
 20 find it.
 21 Q. You think it is online?
 22 A. I have no idea. I have never --
 23 it was no interest of me to find out what
 24 the Government of Israel has agreed with the
 25 government of the USA.